

Message Text

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ORIGIN SS-10

INFO OCT-01 ISO-00 /011 R

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P-ARAPHAL

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FM SECSTATE WASHDC

TO WHITE HOUSE

C O N F I D E N T I A L STATE 149706

WHITE HOUSE PLEASE PASS TO SEC SIMON ABOARD SAM 86971

FOLLOWING REPEAT JIDDA 3947 SENT ACTION SECSTATE

INFO DHAHRAN, JULY 10TH:

QUOTE C O N F I D E N T I A L JIDDA 3947

E.O. 11652: GDS

TAGS: ENRG, SA

SUBJECT: SAUDI CONCERN OVER "WHITE HOUSE" STATEMENT ON
REDUCTION OF OIL PRICES

1. AHMAD ZAKI YAMANI, SAUDI MINISTER OF PETROLEUM,
TOLD ME THAT PRINCE MUSA'ID, MINISTER OF FINANCE HAD
JUST QUESTIONED HIM ABOUT A BBC REPORT IN WHICH THE
"WHITE HOUSE" HAD SAID THAT THE MAIN PURPOSE OF
SECRETARY SIMON'S VISIT TO THE MIDDLE EAST WAS TO
PERSUADE THE ARABS TO REDUCE OIL PRICES. MUSA'ID SAID
THAT IF THIS WERE TRUE THERE WAS NO NEED FOR SECRETARY
SIMON TO COME TO SAUDI ARABIA. IT'S POSITION WAS
CLEARLY KNOWN; EGYPT WAS IRRELEVANT AND ISRAEL'S
INFLUENCE ON OPEC OIL POLICY WAS MINIMAL.

2. YAMANI WAS BITTER ABOUT THE STATEMENT; HE SAID HE
HAD BEEN UNDER CONSTANT ATTACK FROM OPEC AND ELSEWHERE
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ABOUT HIS ACTIONS AND HIS STATEMENTS. HIS VIEWS

BY NOW SHOULD BE WELL KNOWN TO THE UNITED STATES.
HE ASKED HOW THE "WHITE HOUSE" COULD HAVE MADE SUCH
AN "INCREDIBLE" STATEMENT.

3. I SAID THAT I HAD NOT READ ANY SUCH STATEMENT,
NOR HAD I EVEN HEARD OF IT. BUT IT WASN'T ANYTHING
TO GET PARTICULARLY DISTURBED ABOUT. WE BOTH AGREED
THAT OIL PRICES HAD RISEN TOO RAPIDLY AND THAT THE
WORLD COULD NOT ADJUST TO THESE SUDDEN INCREASES. IT
WOULD SCARCELY BE UNUSUAL FOR SECRETARY SIMON TO DISCUSS
WITH YAMANI AND OTHERS THE MEANS FOR BRINGING DOWN OIL
PRICES. SECRETARY SIMON UNDERSTOOD AS WELL AS ANYONE
IN THE WORLD THE POSITION OF SAUDI ARABIA AND THERE COULD
HAVE BEEN NO INTENTION IN THE WHITE HOUSE ANNOUNCEMENT (IF
INDEED SUCH AN ANNOUNCEMENT HAD BEEN MADE) TO HURT ZAKI
YAMANI.

4. COMMENT: I WOULD SUGGEST THAT QUESTION OF PETROLEUM
PRICES NOT BE DISCUSSED IN ANY WIDER CIRCLE. THE SECRETARY
AND I WILL HAVE AMPLE TIME WITH YAMANI ALONE AND THE
SUBJECT CAN BE DISCUSSED THEN.

5. ACTION REQUESTED: PLEASE SEND US THE TEXT OF THE
PERTINENT WHITE HOUSE ANNOUNCEMENT IF IT EXISTS.
AKINS

UNQUOTE KISSINGER

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NNN

Message Attributes

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Capture Date: 01 JAN 1994
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